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August 7, 2001

Ms. Blanca S. Bayo, Director  
Division of the Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 010827-EI

Enclosed is Gulf Power Company's Request for Confidential Classification regarding the Company's response to item 15 of Commission Staff's First Request for Production of Documents to Gulf Power Company, Nos. 1-15.

Sincerely,

A handwritten signature in cursive script that reads "Susan D. Ritenour".

Susan D. Ritenour  
Assistant Secretary and Assistant Treasurer

lw

cc: Beggs and Lane  
Jeffrey A. Stone, Esquire

DOCUMENT NUMBER 0471

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FPSC-COMMISSION CLERK



2. The response to item 15 contains proprietary and commercially sensitive information regarding both Gulf Power and West Georgia Generating Company, L.P. (West Georgia), which if disclosed to the general public would cause irreparable harm to both companies. Specifically, the response is a purchased power agreement (PPA) between Gulf Power and West Georgia. The nature of the competitive wholesale market in which Gulf Power and West Georgia operate requires that the confidentiality of the specific terms and conditions of PPA's be assured in order to safeguard the contracting parties from competitive disadvantages that could result from public disclosure. Public disclosure of the specific terms and conditions of the PPA would give competitors access to details about West Georgia's costs and operations that are not otherwise available in the competitive market. West Georgia would be severely disadvantaged in any RFP process in which it chose to participate since the other bidders would have vital information about West Georgia that would allow them to undercut West Georgia's bid. This does not foster competition, but rather leads to convergence of prices in the market with no drive toward competition. Thus, the specified portions of Gulf Power's response to item 15 are entitled to designation as confidential pursuant to Section 366.093(3)(a) and (e), Florida Statutes.

3. The information provided in the response to item 15 is further entitled to confidential classification as information concerning contractual data, the disclosure of which would impair the efforts of Gulf Power to contract for goods or services on favorable terms. Section 366.093(3)(d), Florida Statutes, provides that such information is proprietary confidential business information and is to be afforded protection from public disclosure. Entities with whom Gulf may desire to enter into a purchased power agreement in the future may be unwilling to


enter into purchased power agreements with Gulf Power if the terms and conditions of said agreement are publically disclosed. The reasons for this unwillingness are those set forth above in paragraph 2. If market participants are unwilling to enter into agreements with Gulf Power, then Gulf and its customers would be in a very difficult market position and may be unable to acquire purchased power at a competitive price. Thus, the information provided in the response to item 15 is entitled to confidential classification as information concerning contractual data, the disclosure of which would impair the efforts of the public utility to contract for goods or services on favorable terms.

4. The information filed pursuant to Request is intended to be, and is treated as, confidential by both Gulf Power and West Georgia and has not been otherwise publicly disclosed.

5. Submitted as Exhibit "A" is a copy of the response to item 15, on which is highlighted the information for which confidential classification is requested. Exhibit "A" should be treated as confidential pending a ruling on this request. Attached as Exhibit "B" are two (2) edited copies of the response, which may be made available for public review and inspection. Attached as Exhibit "C" to this request is a line-by-line/field-by-field justification for the request for confidential classification.

WHEREFORE, Gulf Power Company respectfully requests that the Commission enter an order protecting the information highlighted on Exhibit "A" from public disclosure as proprietary confidential business information.

Respectfully submitted this 7<sup>th</sup> day of August 2001,

  
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